

## **Purpose**

To establish the policy and procedure for assembling contract plans and proposals, advertisements for bid, and award of construction contracts.

## **Policy**

Highway construction projects will be advertised for bid in sufficient time and detail and in a sufficient variety of media including the Utah Department of Transportation Home Page to allow all interested qualified contractors the opportunity to bid. The project will be published for a minimum of two consecutive weeks in newspapers with statewide distribution, one week with local county distribution to coordinate with the project site. Including publication time, projects will be advertised for bid a minimum of four weeks, unless shortened by approval of the Engineer for Construction and Materials.

Federally funded projects will be advertised and have approved plans and specifications available for purchase a minimum of 3 weeks prior to the mandatory pre-bid conference. State funded projects will be available a minimum of 2 weeks prior to the mandatory pre-bid conference.

When a mandatory pre-bid conference is indicated, advertisements and approved plans/specifications will be made available on Federally funded projects 3 weeks prior to the pre-bid. State funded projects will be made available 2 weeks prior to the pre-bid.

Prior to advertising, the Engineer's Estimate, preconstruction engineering, construction engineering, right-of-way, and utility and agreements costs will be compared with the amount programmed by the Transportation Commission (Commission) for the project. Whenever the estimate exceeds the programmed amount by more than 25 percent or \$250,000 whichever is less, the project will be referred to the Commission for its consideration and decision for an increase in programmed funds.

Addenda to bid proposals will be kept to a minimum, and must be mailed, e-mailed, and transmitted by facsimile (FAX) to project's plan holders at least 11 calendar days preceding the scheduled Tuesday or Thursday bid opening date. The only exceptions will be addenda for bid postponement, wage rate changes, and those approved by the Region Project Manager and the Engineer for Construction and Materials. Addenda will also be posted on the Utah Department of Transportation Home Page.

Proposals will be opened and read publicly. Award of contract, if awarded, will be to the lowest responsive bidder.

When bids exceed the Engineer's Estimate by more than 10 percent, the Executive Director may accept or reject the low bid either before or after consulting with the Commission when the amount in excess of 110 percent of the Engineer's Estimate is not more than \$100,000. When the excess is over \$100,000, the Executive Director will consult with the Commission before accepting or rejecting the bid. If the Executive Director accepts the low bid without consulting the Commission, a report of that action will be given to the Commission at its next or subsequent meeting.

The successful bidder will furnish performance and payment bonds, each in the total amount of the bid, to guarantee the full and faithful performance of the contract and the payment of suppliers and subcontractors.

## **Procedures**

### **Advertising and Awarding Construction Contracts**

**UDOT 08B-12.1**

**Responsibility:** Region Project Manager

#### **Actions**

1. Compares Engineer's Estimate, preconstruction engineering, construction engineering, right-of-way, and utility and agreements costs with the amount programmed for the project. If these costs exceed the programmed amount by 25 percent or \$250,000, whichever is less; or if a new project exceeds \$100,000 in total cost, the Region Director is notified for an increase in programmed funds.
2. Prepares justification for increasing programmed amount and submits request through Region Director to Program Development Engineer for recommended action.
3. Checks with appropriate authorities for status and appropriate documentation of right-of-way, utility, funding clearances, and appropriate certifications.
4. Obtains approval from the Deputy Director to proceed with project advertising.
5. Assembles plans, specifications, estimates, and authorizations in accordance with established agreements and transmits to the Federal Highway Administration for review, comment, and approval.
6. On Federal-aid projects, obtains Federal Highway Administration's authorization to advertise for bids in accordance with established agreements.
7. Assembles plans and proposal for advertising and sale. Submits final plans, specifications, and estimate to Advertising and Contracts Technician.

**Responsibility:** Program Development Engineer

8. Examines the effect of recommended increase on the construction program, prepares report on the status of the currently approved program, and recommends action to the Executive/Deputy Director and Commission.

**Responsibility:** Contracts, Estimates, and Agreements Manager

9. Receives plans, estimates, and special provisions for Advertising from the Project Manager, including all authorizations and certifications.

10. Prepares advertisement for bids and places in newspapers with statewide distribution, such as Salt Lake Tribune and Deseret News, and the local newspaper for the county in which the project is to be constructed.
11. Prepares and e-mails "Notice to Contractors" to suppliers and contractors in accordance with approved distribution lists and makes files available for inclusion on the Utah Department of Transportation Home Page.
12. Submits plans and proposals to the UDOT Print Shop.

**Responsibility:** UDOT Print Shop

13. Prints plans and proposals.

**Responsibility:** Contracts, Estimates, and Agreements Manager

14. Pickup plans & proposals from UDOT Print Shop.
15. Sells bidding plans and proposals to prequalified bidders. Sells non-bidding plans and proposals to subcontractors and suppliers.
16. Distributes plan sets to various offices.
17. Compiles Planholders List indicating purchasers of specific advertised projects and makes list available on the Utah Department of Transportation Home Page.

**Responsibility:** Region Project Manager

18. Coordinates, obtains approvals, and prepares addenda when necessary.
19. Obtains FHWA approval of addenda, in accordance with established agreements prior to submission to Contracts, Estimates, and Agreements Manager.

**Responsibility:** Contracts, Estimates, and Agreements Manager

20. Transmits approved addenda by mail to all purchasers of plans and by FAX to all bidders, and makes files available for inclusion on the Utah Department of Transportation Home Page.
21. Accepts sealed proposals from qualified bidders.
22. Opens bids and checks for completeness at bid opening.

**Responsibility:** Department Executive Director or Designated Representative

23. Reads aloud the Engineer's Estimate, the name of the bidding company and their total bid amount, and notes any irregularity.

**Responsibility:** Department Deputy Director or Designated Representative

24. Reads aloud the item numbers and unit prices of the apparent low bid, unless that bid is 10% or more over the engineer's estimate.

**Responsibility:** Contracts, Estimates, and Agreements Manager

25. Retains all bid packages at the close of bid opening. Formulates "Results of Bid Opening" document for distribution, to include posting to the Utah Department of Transportation Home Page. Irregular bid determinations are made by the Engineer for Construction and Materials. Bids over 10% are held until notification of final determination of action from the Region Project Manager.
26. Retains cash, certified check, or cashier's check when submitted in lieu of the bid bond from the two lowest contractor bids until contracts are executed.
27. Prepares letter for Engineer for Construction and Material's signature on any non-responsive bid.
28. Prepares abstracts of bids and makes files available for inclusion on the Utah Department of Transportation Home Page and Project Development Business System (PDBS).

**Responsibility:** Region Project Manager

29. Consults with Region Director, Program Development Engineer, and Deputy Director as to funding and Program effects.
30. Prepares written justification for decision to award or reject if the low bid exceeds the Engineer's Estimate by more than 10 percent.
31. Submits justification and recommendation for award to the Contracts, Estimate & Agreements Manager.

**Responsibility:** Contracts, Estimates, and Agreements Manager

32. Prepares
  - a. Concurrence letter for Engineer for Construction and Material's signature on all Federal-aid projects, in accordance with established agreements.
  - or
  - b. Memo for Deputy Director's signature requesting Federal Highway Administration's concurrence to award, in accordance with established agreements.
33. Prepares letter for Engineer for Construction and Material's signature notifying bidder of award.
34. Upon abstract approval, prepares, prints and mails contract.
35. Sends bid proposals from all but the low bid to Central Records. Creates official project file with the low bid proposal.
36. Distributes contracts to region, design engineers, project manager, project engineers, contractor and/or other units.
37. Receives signed contracts, to include properly documented Payment and Performance Bonds, OCIP Enrollment and certificates of insurance.
38. Obtains Deputy Director's signature on the contract documents and issues the Notice to Proceed letter.
39. Dates the contracts to reflect the date of Notice to Proceed letter, and forwards to the Comptroller's office. Makes files available for inclusion on the Utah Department of Transportation Home Page and PDBS.

**Responsibility:** Comptroller

40. Obtains signatures of Attorney General and the Division of Finance.
41. Delivers signed contracts to Contracts, Estimates, and Agreements Manager.